

2007

California RDP Adjustments Worksheet — Recalculated Federal Adjusted Gross Income

Name(s) as shown on return

SSN or ITIN

Part I Income Adjustment Worksheet**Section A – Income**

| | A Taxpayer One (taxable amounts from your original federal return) | B Taxpayer Two (taxable amounts from your original federal return) | C Adjustments | D Adjusted Federal Amounts (using the same rules applicable to spouses) |
|--|--|--|---------------|---|
| 7 Wages, salaries, tips, etc. | 7 | | | |
| 8 Taxable interest income | 8 | | | |
| 9 Ordinary dividends. | | | | |
| (b) TP1 | | | | |
| (b) TP2 | (a) | | | |
| 10 Taxable refunds, credits, offsets of state and local income taxes | 10 | | | |
| 11 Alimony received | 11 | | | |
| 12 Business income or (loss) | 12 | | | |
| 13 Capital gain or (loss) | 13 | | | |
| 14 Other gains or (losses) | 14 | | | |
| 15 Total IRA distributions. | | | | |
| (a) TP1 | | | | |
| (a) TP2 | (b) | | | |
| 16 Total pensions and annuities. | | | | |
| (a) TP1 | | | | |
| (a) TP2 | (b) | | | |
| 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. | 17 | | | |
| 18 Farm income or (loss) | 18 | | | |
| 19 Unemployment compensation | 19 | | | |
| 20 Social security benefits. | | | | |
| (a) TP1 | | | | |
| (a) TP2 | (b) | | | |
| 21 Other income | 21 | | | |
| 22 Total. Combine line 7 through line 21 in column D. Go to Section B | 22 | | | |

Section B – Adjustments to Income

| | | | | |
|---|----|--|--|--|
| 23 Educator expenses | 23 | | | |
| 24 Certain business expenses of reservists, performing artists, and fee-basis government officials. | 24 | | | |
| 25 Health savings account deduction | 25 | | | |
| 26 Moving expenses | 26 | | | |
| 27 One-half of self-employment tax. | 27 | | | |
| 28 Self-employed SEP, SIMPLE, and qualified plans | 28 | | | |
| 29 Self-employed health insurance deduction | 29 | | | |
| 30 Penalty on early withdrawal of savings. | 30 | | | |
| 31 Alimony paid. | 31 | | | |
| 32 IRA deduction | 32 | | | |
| 33 Student loan interest deduction | 33 | | | |
| 34 Tuition and fees deduction | 34 | | | |
| 35 Domestic production activities deduction. | 35 | | | |
| 36 Add line 23 through line 35 in column D. | 36 | | | |
| 37 Total. Subtract line 36 from line 22 in column D. Enter the amount here and on Form 540, line 13. | 37 | | | |

Part II Adjustments to Federal Itemized Deductions

38 Federal itemized deductions. Add the amounts on each taxpayer's federal Schedule A (Form 1040),

lines 4, 9, 15, 19, 20, 27, and 28. Enter the amount here and on line 38, Schedule CA (540) 38

Note: Apply the 7.5% limitation rule to your federal adjusted gross income to arrive at the amount for line 4. Apply the 2% limitation rule to your adjusted gross income to arrive at the amount for line 27. There are other itemized deductions that are also subject to the 2% limitation rule and some itemized deductions are subject to an overall limitation rule. See IRS Publication 17, Part Five, Standard Deduction and Itemized Deductions.